

Commissioner's Office

Department of Labor and Industry

October 2, 2007

Montana 2008 Minimum Wage Determination

Pursuant to Initiative 151, the Montana minimum wage will increase to \$6.25 effective January 1, 2008.

Initiative 151 requires an adjustment to the minimum wage to be calculated no later than September 30 of each year based upon any increase in the U.S. City Average Consumer Price Index for All Urban Consumers for All Items ("CPI) from August of the preceding year to August of the year in which the calculation is made. This amount is to be rounded to the nearest five cents.

The current 2007 minimum wage rate is \$6.15. Based on an increase in the CPI of 1.97% from August, 2006 to August, 2007, the calculation used for determining the minimum wage rate for 2008 is as follows:

 $6.15 \times 0.0197 = 1.1211$, rounded to 0.10.

The initiative also states the minimum wage to be the greater of the federal or current state minimum wage. Effective July 24, 2008, the minimum wage will increase to \$6.55 per hour, based on the federal minimum wage increase.

Keith Kelly Commissioner